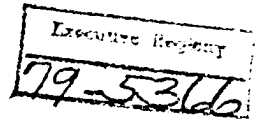


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MEMORANDUM

NATIONAL SECURITY COUNCIL

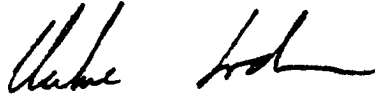
November 27, 1979



MEMORANDUM FOR: The Secretary of State
 The Secretary of the Treasury
 The Secretary of Defense
 The Secretary of Commerce
 The Attorney General
 The Secretary of Transportation
 The Secretary of Energy
 The Assistant to the President for
 National Security Affairs
 The Director of Central Intelligence
 The Director, National Security Agency
 The Administrator, General Services
 Administration

SUBJECT: PD/NSC-24 Implementation Decisions (U)

The attached memorandum from the Chairman, SCC Telecommunications Subcommittee is forwarded for appropriate action and information.


Christine Dodson
Staff Secretary

Unclassified with
SECRET Attachment

THE WHITE HOUSE

WASHINGTON

November 26, 1979

MEMORANDUM FOR: The Secretary of Defense
The Secretary of Commerce

ALSO: The Secretary of State
The Secretary of the Treasury
The Attorney General
The Secretary of Transportation
The Secretary of Energy
The Assistant to the President for
National Security Affairs
The Director of Central Intelligence
The Director National Security Agency
The Administrator, General Services
Administration

FROM: Frank Press *JP*

SUBJECT: PD/NSC-24 Implementation Decisions (U)

A reassessment by the Departments of Defense and Commerce concerning the priority of tasks required to protect domestic telecommunications circuits, systems, or networks that are being targeted by the Soviets has raised a number of issues which they have presented to me for resolution as follows:
(S)

1. The Secretary of Defense shall, in addition to the Executive Agent role contained in para 4c of PD/NSC-24, be responsible for the protection of other government-derived unclassified information except in the following respects. The Secretary of Commerce shall continue to provide the information and telecommunications survey service they have established and continue to be responsible for dealing with the nongovernment-related users in the commercial and private sectors for the purpose of enhancing the protection of their communications. The Executive Agents shall jointly review the list of departments and agencies found at TAB A and provide for the subcommittee's information a mutually agreed-to list of the organizations considered to have only nonnational security information transmissions, and which shall be under the purview of the Secretary of Commerce for protection advice and assistance. Other departments and agencies may be added to or removed from the list by mutual agreement of the Executive Agents and notification to the subcommittee Chairman. (U)

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DERIVATIVE OF BY Z. Brzezinski
☐ DOW ☒ REV OF Jan. 26, 1999

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2. The Secretary of Defense shall consult with the Secretary of Commerce on the above revised activities which are relevant to PD-24 and which may also impact on the civil sector. He shall act as the single Government focal point for specifying, consistent with the provisions of para 4f of PD/NSC-24, adequate protection for government-derived unclassified information which may be useful to a foreign adversary; this shall include, inter alia, techniques, procedures, and equipment for the protection of this information. The Secretary of Defense shall provide me, as Subcommittee Chairman, copies of proposed telecommunications protection plans or programs. Upon my review and as deemed necessary the Secretary of Commerce may be requested to provide me an evaluation of these plans and programs specifically addressing the following aspects: (a) the impact on competition; (b) regulatory considerations; (c) mandatory carrier service considerations; (d) general economic and potential cost distribution factors; (e) interoperability considerations; (f) the effect on industry stimulated initiatives; and (g) other factors considered to be relevant to providing a balanced evaluation. The consideration of potential hardware fixes to protect classified or unclassified information relating to national security may, by their very technological nature, also have the capability to protect other unclassified information being transmitted over the same network routes. The Executive Agents are mandated to work together to insure that in this instance, no unwarranted duplication of protection technology is permitted. (C)

3. To insure that all national security interests are provided for, the Secretary of Defense will continue his responsibilities for determinations on the appropriateness of exporting cryptographic equipment, material and information. The Department of Commerce will be consulted on cryptographic export matters so as to be kept apprised of considerations which potentially could affect or influence future public cryptographic policy. (U)

4. The Secretary of Commerce and the Secretary of Defense shall together formulate a position paper containing all probable elements which make up a national policy for public cryptography. This paper as a minimum shall: (a) consider the current practices and future needs of the private sector for cryptography and the relationship of these practices and needs to the current policies of Government cryptography; (b) take into account and be sensitive to the academic freedom needs of scientific scholars engaged in research which may relate to cryptography; (c) cover the policy aspects required for implementing the primary goal of PD/NSC-24. To provide the necessary scope and balance, the Secretaries may incorporate relevant issues of public cryptography that are present or foreseen, outside the context of the PD; (d) take into account that the NSA mission is not to be interrupted or jeopardized, but also that the NSA mission does not place undue impediments on

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legitimate techniques, procedures, or technology dealing with, or contributing to, a meaningful public cryptography policy; (e) the Secretaries should review each element of discussion contained in pages 7-9 of the Subcommittee meeting minutes of December 21, 1977, and generally titled ". . . public cryptography, signals intelligence and academic freedom," excluding those specifically dealing with clarifying the ITAR, and either apply them to this study or set them aside as no longer applicable. With this review, that portion of the minutes, as well as the summary of the ITAR contained on pages 4 of the Subcommittee meeting minutes of January 27, 1978 shall be considered closed; (f) include both a draft policy and the methods of how such a policy, if approved, could be implemented on a national basis. The position paper and draft policy shall be submitted to me as Subcommittee Chairman by July 1, 1980 for review and subsequent distribution to the Subcommittee principals for comments and consideration. (U)

5. Until the above policy paper is acted upon by the Subcommittee, that part of PD/NSC-24 which stated ". . . and Commerce will have responsibilities in commercial application of cryptographic technology . . ." shall be interpreted as follows: (U)

The Department of Commerce, in close cooperation with the Department of Defense, has the responsibility for reviewing commercially available cryptographic equipment/technology useful in commercial applications and for making recommendations for the application of that already derived and available technology to nongovernment users and those agencies listed at TAB A, as amended. Implicit in this role is that both Executive Agents meet with developers, manufacturers and suppliers of such equipment to keep abreast of technology trends and advancements which may be applicable for both current and future use. (U)

6. In light of the foregoing, the proposed Department of Commerce contract "Legal Aspects of Public Cryptography and National Security" shall be held in abeyance for re-review and reconsideration. (U)

7. The Secretary of Defense and, where appropriate, the DCI are responsible for all foreign adversary threat and vulnerability assessments. Accordingly, the Department of Commerce requirements for such assessments shall be limited to PD/NSC-24 activities and coordinated through me as Subcommittee Chairman. The proposed Department of Commerce contract on

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"Characterization of Telecommunications Protection Afforded by Common Carrier Networks" -- which includes vulnerability assessments of common carrier networks -- shall be held in abeyance for re-review and modification as necessary. (C)

8. The above is not intended to preclude the Department of Commerce from undertaking studies in areas other than foreign threat and vulnerability assessments. Should the Department of Commerce decide to undertake further efforts using nongovernment agencies, e.g., companies, and consultants, the following guidance shall apply: (U)

a. Proposed RFP's, statements of work, or contracts shall not duplicate the vulnerability assessments conducted within the Government nor duplicate any of the analysis process concerning vulnerability studies. (U)

b. Proposals shall not make any reference to the threat as it exists nor indicate who or what the actual threat is. (C)

c. The proposed contracts or statements of work should focus on the essentials of: (1) what is the demand today on the common carriers for protection or for privacy from the private sector; (2) what are the present and future plans of carriers, both as to their networks and their protection plans; (3) what can the carriers do and what incentives would they see in order to improve or expand any protection considerations they may have in planning. (U)

d. Such proposals shall be reviewed expeditiously by the Secretary of Defense who shall specifically identify any aspects deemed to have adverse national security implications. (U)

9. In light of the above guidance, the Department of Commerce shall promptly reexamine it's Five-Year Plan and revise it accordingly. (U)

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Department of Agriculture
Department of Transportation
Drug Enforcement Administration
U.S. Customs Service
Alcohol, Tobacco, & Firearms
Federal Aviation Administration
Internal Revenue Service
Federal Protective Service
Bureau of Census
Social Security Administration
Veterans Administration
International Monetary Fund
Federal Reserve Board
Economic Development Administration
Bureau of Labor Statistics
Industry and Trade Administration
Bureau of Labor Statistics
Industry and Trade Administration
National Bureau of Standards
Maritime Administration
National Telecommunications and Information Administration
National Oceanographic and Atmospheric Administration
Office of Patents & Trademarks
Bureau of Printing and Engraving

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TAB A